

# **EXHIBIT 12**

United States District Court

DISTRICT OF CONNECTICUT

In the Matter of the Search of  
(Name, address or Brief description of person,  
property or premises to be searched)

## SEARCH WARRANT

CASE NUMBER:

The office of NOVA BENEFIT PLANS LLC, also  
known as BENISTAR, located at 100 Grist Mill  
Road, Simsbury, Connecticut.

To: Shaun Schrader, IRS-CID and any Authorized Officer of the United States

Affidavit(s) having been made before me by Special Agent Shaun Schrader who has reason to believe that  
on the person of or x on the property or premises known as (name, description and/or location)

The office of NOVA BENEFIT PLANS LLC, also known as BENISTAR, located at 100 Grist Mill Road, Simsbury,  
Connecticut, 06070. The property is described as a single story office building. The lower portion of the building consists  
of red brick and windows, while the upper portion of the building consists of horizontal gray siding. The property is  
accessed by a short driveway off of Grist Mill Road. At the bottom of the driveway is a red brick structure with a sign  
attached to it that says "100 GRIST MILL RD." At the top of the driveway, as you approach the parking lot, is a wooden  
sign that reads "DIRECTORY, ENTRANCE 1, BENISTAR." There is no signage on the exterior of the building itself.

in the \_\_\_\_\_ District of \_\_\_\_\_ CONNECTICUT there is now  
concealed a certain person or property, namely (describe the person or property to be seized)

See Attachment B.

I am satisfied that the affidavit(s) and any recorded testimony establish probable cause to believe that the  
person or property so described is now concealed on the person or premises above-described and  
establish grounds for the issuance of this warrant.

YOU ARE HEREBY COMMANDED to search on or before April 25, 2010

(not to exceed 10 days) the person or place named above for the person or property specified, serving this  
warrant and making the search (in the daytime - 6:00 A.M. to 10:00 P.M.) (at any time in the day or night  
as I find reasonable cause has been established) and if the person or property be found there to seize  
same, leaving copy of this warrant and receipt for the person or property taken, and prepare a written  
inventory of the person or property seized and promptly return this warrant to THOMAS P. SMITH,  
UNITED STATES MAGISTRATE JUDGE as required by law.

April 16, 2010 at 1:05 p.m.  
Date and Time Issued

at HARTFORD, CONNECTICUT  
City and State

THOMAS P. SMITH  
UNITED STATES MAGISTRATE JUDGE  
Name and Title of Judicial Officer

Thomas P. Smith  
Signature of Judicial Officer

**ATTACHMENT B**

**ITEMS TO BE SEIZED**

The following items maintained by and/or on behalf of NOVA BENEFIT PLANS, LLC; BENISTAR; BENEFIT PLAN ADVISORS; BENISTAR 419 ADVANTAGE PLAN; BENISTAR 419 PLAN & TRUST; NOVA SICKNESS, ACCIDENT, DISABILITY & INDEMNITY TRUST; US BENEFITS GROUP, INC; NOVA LONG TERM CARE TRUST; NOVA LIFE ONE PLAN & TRUST; GRIST MILL TRUST and any other trusts, businesses or entities that promote, administer, or utilize 419 plans for the time period of 2004 to present:

1. Any and all documents and records that relate to current and former clients/participants (employers and beneficiaries) of 419 plans including client lists, complete client files, client databases, contracts, financial information, applications, enrollment documents, benefit summaries and disclosures, certificates of coverage, billing information, termination documents, claim documents, correspondence, contact information, and records of payments received from and made to clients/participants disclosing date, amount, and purpose of each payment.
2. Records disclosing and documenting where and how funds from clients/participants are invested, including but not limited to life insurance and annuity contracts, insurance applications and agreements, account statements, correspondence, Forms 1099, and records showing dates and amounts of premiums paid, receipts, and disbursements.
3. Any and all trust documentation to include declarations, contracts, extracts, indentures, agreements, certificates, bylaws, correspondence, minute books including any minutes of meetings with the trustees, trust records reflecting formation of trust and designation of trustees and control of the trusts. All financial statements, bookkeeper's and/or accountant's work papers used in the preparation of trust records or tax returns. Retained copies of all federal and state tax returns.
4. All bookkeeping records and other financial records including general ledger, general journals, all subsidiary ledgers and journals, gross receipts and income records, cash receipts and disbursement records and/or journals, accounts receivable and payable ledgers and records, bad debt records, loan receivable and payable ledgers, voucher register and all receipts and expenses invoices including all invoices documenting expenses paid by cash (currency ) or bank check (cashier or teller checks) and retained copies of any bank checks (cashier or teller checks.)
5. Records of any loans to clients/participants including applications, checks (front and back) issued for loans, repayment records including records revealing the date, amount, and method of repayment (cash or check), and copies of checks (front and back) used to repay loans.

6. Any and all financial records reflecting income and expenses including: bank statements, records reflecting dates and amounts of deposits, withdrawals, interest, debit and credit memos, deposit slips, records reflecting the identity of checks deposited, withdrawal slips, and records disclosing the disposition of withdrawals, Forms 1099, debit and credit memos. Cancelled checks (front and back), check stubs, check requisition forms and/or check authorization documents, check registers, deposit slips, money orders and money order receipts, cashier checks and cashier checks receipts, ledgers, journals, wire transfers, debit advice, letter instructions regarding transfer of funds, bank notices, credit memos, trust accounts, brokerage accounts, loan files, and all other records reflecting any cash receipts and cash disbursements, and any other records relating to bank accounts.
7. Corporate minute books, stock register or other records reflecting ownership of corporate stock. All financial statements, bookkeeper's and/or accountant's workpapers used in the preparation of corporate records or tax returns. Retained copies of all federal and state income, payroll and excise tax returns.
8. Legal opinions and arguments regarding 419 plans as well as supporting documentation.
9. Any and all documents pertaining to the solicitation or recruitment of clients and potential clients including advertisements, brochures, educational materials, promotional materials, legal opinions, and tax guidance.
10. Any and all information, records, and correspondence related to brokers, middlemen, and others who promote 419 plans who are not directly employed by the above.
11. Any and all documents, notes, letters, memoranda, correspondence, communications, and electronic mail messages (e-mails) between employees, current and former client/participants, insurance companies, brokers, and other related parties.
12. Appointment records, diaries, calendars, message logs and other documents used to record schedules, meetings, conversations, or other events. Address books (including electronic address books, such as devices commonly referred to as electronic organizers), message logs, phone call message slips, or other indicia of notation of messages and telephone numbers.
13. Any and all copies of IRS publications and documents. IRS Tax Manuals, correspondence, and notices. Instruction or reference materials containing information about tax, trusts, and tax avoidance schemes.
14. All information or data covered by the above paragraphs that has been stored in the form of magnetic or electronic coding on computer media or media capable of being read by a computer or with the aid of computer-related equipment, including but not limited to floppy disks, fixed hard disks, removable hard disks, tapes, laser disks, videocassettes, CD-ROMs, DVD disks, Zip disks, smart cards, memory sticks, memory calculators, personal digital assistants (PDAs), cell phones, and/or other media that is capable of

storing magnetic coding, the software to operate them and related instruction manuals.

15. All electronic devices capable of storing, analyzing, creating, displaying, converting, or transmitting the electronic or magnetic computer impulses or data. These devices include, but are not limited to: computers, computer hardware, computer components, computer peripherals, word processing equipment, modems, monitors, printers, plotters, encryption circuit boards, optical scanners, external drives, fax machines, and all written, published or printed materials which provide instructions concerning the operation of the above listed computer equipment software.
16. All instructions or programs stored in the form of electronic or magnetic media which are capable of being interpreted by a computer, including but not limited to: operating systems, application software, computer passwords and data security devices, and software used to communicate with the equipment described above.